



Appropriations Update

Committee on the Budget • Majority Caucus
U.S. House of Representatives
Jim Nussle, *Chairman*

309 Cannon House Office Building
Washington, DC 20515 • (202) 226-7270
James T. Bates, *Chief of Staff* • www.budget.house.gov

Volume 6, No. 5

24 May 2006

FISCAL YEAR 2007 DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS BILL – H.R. 5441

SUMMARY

The appropriations bill for the Department of Homeland Security, reported to the House on 22 May 2006 (H.R. 5441; H.Rept. 109-476), provides total new budget authority equaling the amount provided for the measure by the Committee on Appropriations. Hence the bill complies with applicable provisions of the Congressional Budget Act.

The bill – the fifth of 11 appropriations bills considered by the House for the fiscal year beginning 1 October 2006 – also complies with provisions of the fiscal year 2007 budget resolution regarding emergency-designated appropriations and advance appropriations: neither of these appears in the measure as reported.

COST OF THE LEGISLATION

This bill provides \$32.1 billion in new budget authority [BA] and \$38.7 billion in outlays for 2007 – an increase of \$1.6 billion in BA, and a decrease of \$14.5 billion in outlays from 2006 (see Table 1 below). The BA level is \$1.1 billion higher than requested by the administration, and outlays are \$1.2 billion greater. This results because the bill does not include an increase in aviation security fees proposed in the request, which were estimated to provide a 2007 offset of \$1.2 billion. Taking this into account, total resources provided are roughly equal to the President's request.

The bill contains three rescissions of previously enacted discretionary BA, resulting in savings of \$100 million in BA and \$22 million in outlays. One of the rescissions, however, is paired with another provision that would effectively increase spending by the same amount for nearly the same purpose (extending the service life of the Coast Guard's current 110-foot patrol boats and acquiring new boats, instead of extending the service life and designing new boats). Consequently, the cost of the legislation is reduced by a net \$21 million in BA and \$14 million in outlays.

Table 1: Homeland Security Appropriations Bill
(fiscal years; millions of dollars)

	2006 Spending ^a	Administration 2007	302 (b) for 2007	Bill
Budget Authority	30,461	31,018	32,080	32,080
Outlays	53,241	37,482	33,730	38,711

^a Excludes emergency-designated appropriations.

COMPLIANCE WITH THE BUDGET RESOLUTION

By virtue of a rule adopted on 18 May 2006, the House-passed budget resolution (H.Con.Res. 376) was ratified as effective for enforcement of the Congressional Budget Act. The Appropriations Committee – under section 302(b) of the Budget Act – has submitted suballocations to its

subcommittees (H.Rept. 109-471) that total the \$873-billion discretionary level in the budget resolution.

This measure as reported provides new BA equal to the subcommittee allocation, so is in compliance with the

(continued on the next page)

This document was prepared by the majority staff of the Committee on the Budget, U.S. House of Representatives. It has not been approved by the full committee and may not reflect the views of all the committee's members.

Budget Act provisions regarding consideration of appropriations measures in excess of the suballocation. The bill does not cause a breach of the budgetary totals for BA or outlays, which would violate the Congressional Budget Act.

In addition to Budget Act spending rules, the budget resolution provides guidelines for emergency designated appropriations, and appropriations for fiscal years beyond the budget year (so-called “advance appropriations”). As noted, the bill contains neither.

Table 2: Discretionary Spending in the Homeland Security Appropriations Bill
(in millions of dollars)

	2006 Budget Authority	2006 Outlays	2007 Budget Authority	2007 Outlays	Difference BA	Difference Outlays
Department Management and Operations	791	693	946	903	155	210
Inspector General	82	87	96	99	14	12
Citizenship and Immigration Services . . .	114	131	162	157	48	26
U.S. Secret Service	1,200	1,199	1,291	1,282	91	83
Security, Enforcement, & Investigations . .	13,456	13,456	14,531	14,330	1,075	874
U.S. Coast Guard	6,712	6,418	7,066	6,862	354	444
Preparedness	4,032	3,988	3,885	4,996	-147	1,008
Federal Emergency Management Agency	2,607	25,977	2,643	8,587	36	-17,390
Science and Technology	1,467	1,162	956	1,162	-511	36
Domestic Nuclear Detection Office	0	0	500	250	500	250
Other	<u>0</u>	<u>166</u>	<u>4</u>	<u>83</u>	<u>4</u>	<u>-83</u>
Total	30,461	53,241	32,080	38,711	1,619	-14,530

DISCUSSION

As shown in Table 2 above, most of the bureaus covered by the bill are funded at levels similar to 2006, except in a few notable cases. The following agencies are among the key exceptions:

- Security, Enforcement, and Investigations [SEI]* - The SEI includes the Immigration and Customs Enforcement and Customs and Border Patrol Bureaus. The bill provides \$14.5 billion in BA – essentially \$1.1 billion, or 8 percent, higher than both the administration request and 2006 levels. This increase results largely from the rejection of the aviation security fees proposed by the administration, which would provide a \$1.2-billion offset for this category of spending.
- U.S. Coast Guard* - The bill provides \$7.1 billion for the Coast Guard, which is \$354 million, or 5.3 percent, higher than 2006, but \$51 million less than the request.
- Domestic Nuclear Detection Office [DNDO] and Science and Technology* - This office, formerly a part of Science and Technology, is responsible for preventing the unauthorized possession of radiological material. In the administration’s 2007 request, the DNDO was reorganized as a separate bureau. Thus, this new office accounts for the appearance of a decrease from 2006 for Science and Technology, and an increase to DNDO.
- Federal Emergency Management Agency [FEMA]* -The outlays for FEMA in 2007 appear to drop by \$17.4 billion relative to 2006. Most of the 2006 outlays, however, flow from the emergency-designated BA provided in 2005 in response to Hurricane Katrina. After the close of a fiscal year, both the Office of Management and Budget and the Congressional Budget Office cease identifying whether outlays are due to regular or emergency-designated appropriations.

Prepared by **Winnie Chang, Appropriations Analyst**
Daniel J. Kowalski, Director of Budget Review